

## LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease Agreement") is entered into effective June 1, 2021, by and between El Colegio 6549, LLC, a California limited liability company ("Lessor"), and the COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("Lessee"), with reference to the following facts:

- A. Lessor owns that certain real property commonly known as 6549 El Colegio Road, Goleta, California 93117 (the "Property").
- B. Lessee desires to lease the Property for a term of approximately one year in order to provide emergency shelter and housing for specified members of the public in response to the shelter crisis declared pursuant to California Government Code Sections 8698 *et seq.*, and the COVID-19 pandemic and related Emergency Proclamations and Orders.
- C. Lessee also desires to acquire from Lessor an option to purchase the Property.
- D. Lessor and Lessee desire to execute this Lease Agreement in part to facilitate the potential purchase of the Property by Lessee.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS, WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE, THE MUTUAL PROMISES AND AGREEMENTS HEREINAFTER SET FORTH, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, LESSOR AND LESSEE AGREE AS FOLLOWS:

**1. PREMISES:** Lessor rents to Lessee and Lessee rents from Lessor on the terms and conditions contained herein, the Premises described as a 19 bedroom, 6 bath, partly furnished detached residence, located at 6549 El Colegio Road, Goleta, California 93117, and all associated parking spaces (the "Premises"). Lessee may use the premises to provide emergency shelter and housing and related services to eligible members of the public.

**2. RESIDENTS:** Lessee shall use this Lease to providing housing to individuals and families. Lessee shall enforce the terms of this Lease Agreement, including the rules attached hereto as Attachment A (the "Rules"), on its individual occupants. Lessee reserves the right to not enter into any agreements with the occupants of the bedrooms or units related to the use of the Premises. The occupants of the rooms or units will not be considered persons who hire any dwelling unit from Lessee or Lessor within the meaning of California Civil Code section 1940. The foregoing notwithstanding, Lessee shall make good faith efforts to ensure the occupants of the units comply with the Rules. Lessee shall have a nightly on-site security guard on duty from 7:00 p.m. to 7:00 a.m. whose duties shall include enforcement of the Rules.

**3. OCCUPANCY:** Lessee shall not permit occupancy of the Premises by more than 60 persons without the written consent of the Lessor.

**4. TERM:** The initial term of this Lease Agreement is for twelve (12) months and shall commence at noon June 15, 2021 and end on May 31, 2022 ("Initial Term"). Lessee is hereby granted one (1) option to extend this Lease Agreement for a term of twelve (12) months by providing

written notice of intent to extend the Term on or before January 10, 2022. Should Lessee fail to provide such notice, the option to extend this Lease shall be of no force or effect.

**5. PAYMENT UPON EXECUTION:** Upon execution of this Lease Agreement, Lessee shall pay the security deposit of \$30,000 and the rent for June, 2021 in the total amount of \$45,750, to Lessor (\$30,000 deposit, \$15,750 rent).

**6. RENT:** Lessee shall pay Lessor, as monthly base rent for the Premises (the “Base Rent”), the amount set forth below payable in advance on the first day of each calendar month:

\$15,750.00 from June 15, 2021 through June 30, 2021

\$31,500 per month from July 1, 2021 through May 31, 2022

\$33,750 per month from June 1, 2022 through May 31, 2023 (in the event Lessee exercises its option as described in Section 4 above)

Rent payments must be made utilizing one check of Lessee to Lessor at its office at 735 State Street, Suite 407, Santa Barbara, CA 93101. Rent payments may be made by mail, interbank transfer, autopay or in person Monday through Friday (except holidays) between 9:00 a.m. and 5:00 p.m.

Payments made will first be applied to the oldest overdue charges including rent, late fees, or repair charges. Any remaining funds will be applied to current charges due. If there are no overdue charges, payments will be applied to the current month's rent.

6a. Taxes and Assessments:

i. Real Property Taxes: Lessor shall pay directly the real property taxes assessed against the Property during the Term. Notwithstanding the foregoing, Lessor shall only be responsible for paying, each fiscal/lease/tax year of the Term (July 1 through June 30), an annual amount not to exceed the property taxes assessed by the County Assessor for the fiscal/tax year running from July 1, 2021 through June 30, 2022.

ii. Increased Taxes: Beginning July 1, 2022, any new or increases in any and all fees, taxes, assessments, or charges imposed upon Lessor as owner of the Premises by law or ordinance (Federal, State, or local government entity) relating to the ownership or operation of the Premises (but not to include any income, capital gain, estate, gift, or similar taxes imposed on Lessor arising from or relating to the Premises) during the term of this Lease Agreement (or any extension or renewal thereof), including, but not limited to, any building and/or property inspection fee or charge (except if the fee or charge is for an inspection that results in a Notice of Violation), parking district charge, or Isla Vista Recreation and Park District tax, charge, or assessment imposed on Lessor as owner of the Premises shall be passed on to Lessee on a prorated basis, and shall be due and payable as additional monthly rent within thirty (30) days of notice from Lessor.

**7. SECURITY DEPOSIT:** Upon execution of this agreement, the Lessee shall deposit with Lessor as a security deposit, the amount of **\$30,000.00**. This deposit shall be held by the

Lessor without payment of interest to Lessee as a refundable cleaning/damage/security deposit and any refund of the security deposit shall be made in the amount and manner established by California Civil Code § 1950.5. Lessor may claim (withhold) of the Security Deposit only such amounts as are reasonably necessary to remedy Lessee defaults as follows:

- a. Any amount Lessee owes under the Lease Agreement, including late fees and amounts due under Section 15 below;
- b. Cleaning of the Premises;
- c. Repair of any damage thereto that is the responsibility of Lessee; or
- d. Restoration, replacement or repair of any personal property or appurtenances, exclusive of ordinary wear and tear, all pursuant to Civil Code Section 1950.5.
- e. For purpose of the cleaning of carpets, only truck mounted steam cleaning machines may be used.

Not later than three weeks (21 days) after the Lessee has vacated the Premises, the Lessor shall furnish the Lessee with an itemized written statement of the basis for, and the amount of, any security withheld and shall return any remaining portion of such security to the Lessee. The Security Deposit shall not bear interest and shall not be segregated from Lessor's other funds.

In the event Lessee exercises its option to purchase, Lessor shall apply the security deposit to reduce the purchase price.

**8. UTILITIES AND SERVICES:** Except as otherwise provided herein, Lessee shall pay directly to the applicable vendor or utility company the following utility charges: trash, water, electricity, sewer, natural gas, basic cable, current internet services, pest control, and water conditioning during the term of this Lease Agreement. Lessee agrees to maintain all existing equipment at its expense. Lessor shall be solely responsible for the costs of landscaping and fire suppression system maintenance.

**9. GROUNDS:** Except as hereinafter provided, Lessor agrees to maintain and care for the lawn, shrubbery, trees and grounds.

**10. CONDITION OF PREMISES:** Lessee acknowledges receipt of the Premises in a clean condition and in good order and repair, except the kitchen, including all appliances, fixtures, and related functions, and for such deficiencies as Lessee sets forth in a written list of deficiencies supplied by Lessee to Lessor within 3 days of the commencement of tenancy. This requirement is intended to protect Lessee against erroneous charges. Lessee acknowledges receipt of an Inventory and Condition Report to be completed and returned to Lessor to be used for such purpose. Lessee shall: (a) keep the Premises in a clean and sanitary condition; (b) dispose of all rubbish, garbage and waste in a clean and sanitary manner; (c) properly use and operate all electrical, gas and plumbing fixtures and keep the same in a clean condition; (d) not permit any person, in or about the Premises with Lessee's consent, to deface, damage or remove any part of the structure in which the Premises are located nor the facilities, equipment or appurtenances thereto or thereon, nor himself/herself to do any such thing; (e) occupy and use the Premises in the manner in which they are designated and intended to be occupied and used. Lessee shall be liable for the expense of any repair caused by Lessee's failure to comply with conditions. Lessee shall not materially alter the Premises nor wallpaper any portion thereof, except with Lessor's written consent, and (f) have a

resident monitor on site at all times to monitor and address internet and TV, electrical issues, fire suppression system, water lines, drainage and other systems as necessary. Lessee is obligated to do any repair-of-damage work or cleaning only through licensed, insured professionals, Lessee shall not install or use any dishwasher, clothes washer, clothes dryer or air conditioner in or about the Premises without the prior written consent of Lessor. On moving in, Lessee will carefully inspect the Premises, particularly the bathroom and all window tracks throughout the Premises, for mold. If mold is found, Lessee will report it to the Lessor within 3 days of taking occupancy by way of providing Lessor with a written maintenance request form. Lessor shall respond to same with reasonable promptness. If mold is not so reported, it shall be conclusively presumed that the Premises were delivered to Lessee mold free. Lessee understands that any growth of mold is primarily due to conditions over which Lessee, not Lessor, has control, namely moisture and ventilation. Lessee agrees that persons using the shower facilities shall follow, and Lessee shall post signs providing for, the following rules: (1) Wipe down shower interiors and fixtures following each use, (2) "Crack" the bathroom window during or immediately following showering, so as to ventilate steam/moisture, and (3) If there is a fan in the bathroom, run it while showering.

**a. KITCHEN DISCLOSURE.** Lessee acknowledges the existing kitchen is not certified as a commercial kitchen and has not been used for at least five years. Lessee accepts the kitchen and all related fixtures and appliances, "as is" in its current condition without representation or warranty expressed or implied. Lessee further acknowledges that the obsolete grease trap under the floor of the recreation room has been removed. If the Lessee elects to use the kitchen, the fixtures or equipment therein, Lessee agrees to bear all costs of repair or maintenance to comply with any local and county ordinances applicable to such use at its sole cost and expense.

**b. ACCESSIBILITY:** Any alteration, construction, repair or renovation Lessee deems necessary for compliance with federal and state access requirements that will be permanently affixed to and become a part of the Premises shall be subject to Lessor's prior written approval, which approval shall not be unreasonably withheld. Alterations, construction, repairs or renovation shall be at Lessee's sole cost.

**11. NUISANCE:** Lessee shall use, or cause the Premises to be used, only for the purpose set forth in Section 1 above. Lessee shall maintain the Premises as a sober facility, and comply with all applicable laws (local, State and Federal). Lessee agrees not to allow live bands or programmed music to play without the prior written consent of the Lessor. Lessee agrees to a \$500.00 penalty should a live band or programmed music be permitted on the Premises without prior written consent of Lessor. Lessee shall also be responsible for all clean-up costs associated with said event.

**12. ALTERATIONS AND DECORATING:** Except as provided by law, no decorating, or alterations shall be made to the Premises by Lessee, without Lessor's prior written consent. Lessee shall notify Lessor in writing of any material alterations or decorations that are contemplated. Decorations include, but are not limited to, wall papering or hanging of murals that are permanent in nature. Lessee shall hold Lessor harmless as to any mechanic's lien recordation or proceedings caused by Lessee which affect the Premises. Lessee shall not use electrical appliances in the Premises, either individually or in the aggregate, which exceed the electrical

capacity of the wires, switches, receptacles, fuses, circuit breakers or other components of the electrical system in the Premises.

**a. SATELLITE DISHES:** Lessee may not install a satellite dish or other telecommunications equipment without Lessor's prior written consent. The satellite dish or other equipment must be installed by a licensed, insured professional approved in advance by Lessor and may only be placed on a balcony or patio totally within the Premises and may not be visible from any public area. The satellite dish may not protrude or extend beyond the vertical, (i.e. balcony railing or patio edge) or horizontal (i.e. patio or balcony ceiling) space leased for Lessee's exclusive use. No satellite dish or other telecommunications equipment may be installed on any outside wall, outside windowsill, roof, common area balcony, stairwell or other common area and no holes may be made in any wall, roof, railing or glass for purposes of installation or hookup. Satellite dishes may be mounted on tripods so long as they are concealed from public view.

**13. SUBLETTING, LICENSING AND ASSIGNMENT:** Lessee may, upon prior written notice to Lessor, sublet or license all or part of the Premises to a qualified non-profit or public agency that Lessee engages to provide emergency shelter and housing services at the Premises (the "Permitted Operator"). Lessee or the Permitted Operator may occupy the rooms with members of the public, with or without a formal written agreement as discussed in Section 2 above. Otherwise, this Lease Agreement may not be sublet, assigned, or conveyed, in whole or in part, other than to the County or Permitted Operator as described above, without prior written consent from Lessor, which consent shall not be unreasonably withheld, conditioned or delayed.

Failure to obtain Lessor's written consent to any assignment as required herein shall constitute a default in the performance of this Lease Agreement and subject the remaining Lessees to a notice of termination. In addition, the requesting Lessee shall remain responsible for the performance of all the terms of this Lease Agreement including all financial obligations should the Lessor's consent not be given.

Upon approval by Lessor of assignment, the assignee shall become jointly and severally liable with the Lessee for all terms of this Lease Agreement, and shall be responsible for taking the Premises in their "as-is" condition upon the date the sublease or assignment is approved.

**14. LESSEE'S OBLIGATION TO MAINTAIN THE PREMISES:** During the term of this Lease Agreement, Lessee shall be required to keep and maintain the Premises, including all glass, screens, furniture, fixtures, carpeting, and plumbing and internal drain lines, lighting, sump pump, roof drains, pest control, smoke alarms or detectors and electrical systems in clean and sanitary condition and in good working order, reasonable wear and tear excepted. Lessee shall be responsible for any damages to the Premises during the term of the Lease Agreement and for actual costs of all drain, toilet and garbage disposal obstructions except main line and root clogs; and for repairs to screens, lighting, smoke alarms and/or carbon monoxide detectors, including the replacement of batteries and lightbulbs, unless such conditions are expressly noted on the Inventory and Condition Report. Lessee shall deposit all trash (garbage) in appropriate trash containers/receptacles. At the termination of this Lease Agreement, Lessee shall surrender the Premises to the Lessor in as good as condition as received, reasonable wear and tear and damage

by fire, act of God or by the elements, to the extent the cost to repair or restore the Premises following such damage is not covered by insurance Lessee is required to carry hereunder, excepted. Lessee further agrees to comply with the maintenance and repair obligations and notice requirements as contained in the House Rules and Regulations which have been incorporated by reference into this Lease Agreement as an Addendum to this Lease Agreement. Failure by Lessee to perform the necessary clean-up will serve as authorization for Lessor to do so and Lessee will be billed back for charges incurred. Said charges will be due upon presentation of a statement to Lessee.

**a. JANITORIAL SERVICE:** Lessee shall provide all janitorial and cleaning services to the interior of the premises, and for the exterior courtyard and sundeck.

**15. DEFAULTS BY LESSEE:** The occurrence of any one of the following shall constitute a material default breach of this Lease Agreement by Lessee:

a. Failure by Lessee to pay rent or other charges required under this Lease Agreement promptly when due;

b. The abandonment of the Premises by the Lessee;

c. Failure by the Lessee to observe and perform any and all material provisions of this Lease Agreement that they are required to perform or observe.

d. The making by the Lessee of any general assignment for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee adjudicated and bankrupt or of a petition for reorganization or arrangement under any law related to bankruptcy;

In case of any such default by Lessee, then, in addition to any other remedies or rights available to Lessor at law, in equity, or pursuant to this Lease Agreement, Lessor shall have the immediate option to terminate this Lease Agreement and all rights of Lessee under the agreement by giving written notice of intention to terminate the Lease Agreement.

In the event that Lessee breaches this Lease Agreement, Lessor shall be allowed at Lessor's discretion, but not by way of limitation, to exercise any and all remedies provided Lessor by California Civil Code §1951.2 (Lessor right to recover damages for unpaid future rent) and 1951.4 (Lessor right to continue the Lease Agreement in effect after Lessee's breach and abandonment and recover rent as it becomes due). Damages the Lessor may recover include worth at the time of the award the amount by which the unpaid rent for the balance of the term after the time of the award, or for any shorter period of time specified under this Lease Agreement, exceeds the amount of such rental loss for the same period that the Lessee proves could be reasonably avoided.

**16. WAIVER OF BREACH:** Lessor's waiver of any breach of this Lease Agreement shall not be construed to be either a continuing waiver of any subsequent breach or a waiver of any rental provision. Receipt by Lessor of the rent with the knowledge of any violation of a covenant or condition hereto shall not be deemed a waiver of such breach. No waiver by either party of the provisions herein shall be deemed to have been made unless made in writing and clearly stated to be a waiver of a particular breach. Such waiver must be signed by all parties to

this Lease Agreement. **Notations made on rent checks shall not be binding upon the Lessor and Lessor may apply the monies received first to outstanding fees and interest, then to the oldest account balance due and owing. Under no circumstances shall Lessor's negotiation or cashing of any check from Lessee which bears any notation indicating a payment under protest or conditional payment constitute an accord and satisfaction unless specifically agreed by Lessor in writing.**

Any custom or practice which may develop between the Lessor and Lessee or Lessor and any other person pursuant to any other rental agreement during the term of this tenancy shall not be construed to waive or reduce or limit in any way the right of the Lessor to insist upon the full performance of any and all terms, conditions, covenants and obligations assumed by the Lessee under this Lease Agreement.

Lessor's consent to or approval of any act by Lessee shall not constitute a consent to or approval of any subsequent or similar act by Lessee which requires Lessor's consent nor shall such consent constitute a waiver by Lessor of the requirement for Lessor's future consent or approval.

**17. ENTRY BY LESSOR:** The Lessor, the Manager or their agents or employees may enter the Premises:

a. In case of emergency;

b. When the Lessee has abandoned or surrendered the Premises, or to make agreed repairs or improvements, to supply agreed services, or to exhibit the Premises to prospective or actual purchasers, lenders, workman or contractors without notice during the normal business hours (8:00 a.m. to 6:00 p.m. Monday through Saturday, except holidays). The Lessor's right to enter is otherwise governed by Civil Code §1954.

**18. RIGHT TO PRE-MOVE-OUT INSPECTION AND REPAIRS:** After giving or receiving notice of termination of a tenancy or before the end of the Lease Agreement, Lessee has the right to request that an inspection of the Premises take place prior to termination of the Lease Agreement. If Lessee requests such an inspection, Lessee shall be given an opportunity to remedy identified deficiencies prior to termination, consistent with the terms of this Lease Agreement. Any repairs or alterations made to the Premises as a result of this inspection (collectively "Repairs") shall be made at Lessee's expense. Repairs may be performed by Lessee or through others, who have adequate insurance and licenses and are approved by Lessor. The work shall comply with applicable law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Lessee shall (a) obtain receipts for Repairs performed by others; (b) prepare a written statement indicating the Repairs performed by Lessee and the date of such Repairs; and (c) provide copies of receipts and statements to Lessor prior to termination. This paragraph does not apply when the tenancy is terminated pursuant to California Code of Civil Procedure §1161(2), (3) or (4).

**19. ABANDONMENT OF THE PREMISES/DISPOSITION OF LESSEE'S PERSONAL PROPERTY:** If Lessor's right of re-entry is exercised following abandonment of the Premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the Premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby released of all liability for doing so.

**20. ADMINISTRATIVE FEES:** Lessor and Lessee agree that a default under this Lease Agreement will result in expenditures of administrative time and other additional expenses, the nature and extent of which is extremely difficult and economically impracticable in many instances to ascertain. Lessee therefore agrees, without limiting the rights of the Lessor in law, equity, or under other provisions of this Lease Agreement with reference to any particular default or circumstance which Lessee becomes obligated for an administrative charge, to pay the following administrative costs and service charges for the following circumstances:

a. A **\$300.00** service and administrative charge for any check returned for non-payment;

b. A late fee of **\$500.00** for any rent installment not received by Lessor by close of business on the sixth day of the month in which the rent installment was due;

c. A **\$250.00** service and administrative charge for the processing of any assignment of the Lease Agreement. The provision shall not apply to subleases or licenses to a Permitted Operator as authorized by paragraph 13;

d. In the event that a statutory Three (3) Day Notice to Pay Rent or Quit, or Perform Covenant or Quit is served upon Lessee as a result of default in payment of rent or the performance of any other term or condition under this Lease Agreement or its addendums, Lessee shall pay an additional charge for the preparation and service of the notice in the amount of **\$300.00**. Lessee agrees that the above amounts are a reasonable estimate of the loss expense incurred by the Lessor as a result of the above delinquencies, and that the same have been charged by Lessor to defray such loss and expense. The payment, or obligation to pay such fees shall in no way limit the rights of Lessor, otherwise provided for in this Lease Agreement, nor shall any grace period in which to meet the financial obligations elsewhere provided for in this Lease Agreement be extended by this specific paragraph.

**21. CONSERVATION ISSUES:** Lessee and Lessor acknowledge that from time to time local governmental authorities have or may declare an emergency on water supplies for the area in which the Premises are located. The Premises leased by Lessee have one water meter. In the event that special regulations regarding the water consumption are passed by local governmental authorities, Lessee agrees to pay water use, including any penalties imposed by governmental authorities for exceeding the water allocation for the Premises. Lessee further agrees to use its best efforts to conserve water use on said Premises, whether or not ordinances require the same, and to comply with all governmental regulations and ordinances regarding water conservation.



**22. WATER FILLED FURNITURE:** Lessee may not use or maintain water filled furniture on the Premises unless Lessee first obtains Lessor's prior written consent and further obtains and maintains in effect an insurance policy covering damage that may be caused by the presence of such furniture or its failure. Lessor's prior written consent shall not be unreasonably withheld, but shall be conditioned upon receiving a request in writing from Lessee, and the proper execution by all Lessees of a separate water bed and/or liquid filled furniture agreement in a form acceptable to Lessor, and providing for the proper insurance policy or certificate of insurance to protect against property damage. Lessee shall indemnify, defend, and hold Lessor and the leased Premises harmless from any damage caused by any water filled furniture in the Premises.

**23. INSURANCE AND INDEMNIFICATION:** Lessor and Lessee agree that Lessor is not obligated to nor will carry for the benefit of Lessee or Lessee's guests or invitees, any liability insurance to protect Lessee, Lessee's guests or invitees, or Lessee and Lessee's guests' or invitees' personal property. Lessee shall, at Lessee's own expense carry a liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall additionally maintain fire insurance insuring against loss or damage to its personal property.

Lessor shall obtain and keep in force a policy or policies insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake), including coverage for debris removal and the enforcement of any applicable law requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Lessee acknowledges that Lessor is not a guarantor or insurer. Lessee hereby waives (gives up) all claims for damages that might hereafter arise in favor of Lessee and against Lessor, Lessor's agents, contractors, representatives, and employees, for injury or loss to Lessee and members of Lessee's household on account of injury to person or property damage, except in case of negligence or willful misconduct on the part of Lessor, Lessor's agents, or employees.

**24. INDEMNITY:** Lessee further agrees to further indemnify, defend and hold harmless Lessor from any and all liability arising prior to the termination of this Lease Agreement for personal injuries or property damage caused or permitted by Lessees, their guests, invitees or other persons permitted on the Premises by Lessee, and that such indemnification and defense obligation shall include, without limitation reasonable costs and attorneys' fees incurred by Lessor with counsel of Lessor's choice. Such indemnity does not apply to the extent of any liability resulting from pre-existing conditions or defects in the premises.

**25. STORAGE:** Lessee shall have no right of storage hereunder and the Lessor shall not be liable for any loss of property by theft or burglary or otherwise from the Premises or the building, or for any accidental damage to person or property in or about the Premises. Lessee shall have no rights to use of or access to the roof of the Premises and shall not install any dish, antenna or other items of any kind on the roof. Any items placed in storage areas are stored at Lessee's sole

risk. Lessee acknowledges that the Lessor stores supplies, furniture, furnishings and equipment in various locations on the premises

**26. HOLDING OVER:** Lessee shall vacate the Premises at the expiration of the lease term without further notice or demand from Lessor. Should Lessee fail to vacate the Premises at the end of the term of this Lease, the tenancy shall convert to a tenancy at will on a month to month basis and Lessee shall continue to be obligated to pay the Base Rent in effect upon expiration of the term. . Lessee shall also indemnify, defend and hold Lessor harmless for any loss, cost or liability resulting from any delay by Lessee in surrendering the Premises, including any claims made by any succeeding Lessee based on such delay. Such holding over shall be deemed to be without consent of Lessor, and in contravention of the terms and conditions of this Lease Agreement unless Lessor shall have agreed in writing and signed a modification to this Lease Agreement permitting such holding over.

**27. LOCKS AND KEYS:** Lessee shall not change, add or remove any locks without the prior written permission and approval of Lessor. Any such consent shall be conditioned upon providing to Lessor a copy of said key. The removal, addition or changing of locks without prior written permission of Lessor shall constitute a material breach of this Lease Agreement and at the election of Lessor shall allow Lessor to terminate this Lease Agreement. Failure to return keys upon surrender of the Premises shall result in a reasonable charge for lost keys and re-keying of the Premises.

**28. CONDITION OF PROPERTY:**

28a. As-Is. Lessee hereby acknowledges that Lessee shall lease the Premises “As Is”, “Where Is”, “With All Faults” and “without any representations or warranties”. Lessee hereby agrees and warrants that it has adequately investigated, inspected and satisfied itself with respect to the condition of the Premises and the suitability of same for Lessee's purposes, and Lessee does hereby waive and disclaim any objection to, cause of action based upon, or claim that its obligations hereunder should be reduced or limited due to the condition of the Premises or the suitability of same for Lessee's purposes. Lessee acknowledges that the Premises and the structure and systems thereof are in excess of 70 old and the condition thereof is consistent with a building of such age. Lessee acknowledges that neither Lessor nor any agent, employee or representative of Lessor has made any representations or warranties with respect to the Premises or with respect to the suitability thereof for use by Lessee and its residents, and Lessee expressly warrants and represents that Lessee has relied solely on its own knowledge, investigation and inspection of the Premises in its decision to enter into the Lease for the Premises in an “As Is” condition. Lessee hereby waives subsection 1 of Section 1932 and Sections 1941 and 1942 of the Civil Code of California or any successor provision of law.

28b. CASp Inspection. For purposes of California Civil Code Section 1938, Lessor hereby discloses to Lessee, and Lessee hereby acknowledges, that the Premises have not undergone inspection by a Certified Access Specialist (CASp).

Additionally, Lessor hereby discloses to Lessee, and Lessee hereby acknowledges, that Section 1938 of California Civil Code, as amended, provides as follows:

“A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction related accessibility standards within the premises.”

Should Lessee elect to have a CASp inspection of the Premises performed, Lessee shall provide Lessor with at least fifteen (15) days’ prior written notice of the date of such inspection. Additionally, Lessee acknowledges and agrees that Lessee shall be solely responsible for all costs and fees incurred in obtaining such CASp inspection of the Premises.

d. In the event that a CASp inspection (whether performed at the election of Lessee or otherwise) discloses that the Premises do not meet all applicable construction-related accessibility standards and related laws, or any violations of said laws exist, then the repairs, alterations, modifications, and improvements required to comply with such construction-related accessibility standards and related laws, or any violations of said laws shall be the responsibility of Lessee.

e. In the event a CASp inspection of the Premises is performed, the results of such inspection, including any reports, surveys or other documentation prepared in connection with the inspection, shall remain confidential and Lessee shall not disclose the results of such inspection to any other party, except to the extent the same must be disclosed by order of any governmental authority, or pursuant to any applicable law.

**29. NO THIRD PARTY BENEFICIARIES.** This Lease Agreement is intended solely for the benefit of Lessor, Lessee and the County. Other than the County, this Agreement shall have no third party beneficiaries and may not be enforced by any third parties. This Lease Agreement and its terms shall in no event be used in any appraisal for the purpose of determining the fair market value of the Property.

**30. ENFORCEABILITY AND MODIFICATIONS OF PROVISIONS:** The provisions herein shall be deemed independent and severable and the invalidity or partial validity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision hereof. To the extent any provision hereof is deemed unenforceable, such provision shall be modified (if possible) so that it is valid, legal, and enforceable and, to the fullest extent possible, reflects the intention of the parties. This Lease Agreement may be modified only in writing, signed by an officer of Lessor and Lessee at the time of modification. No modification may be made by verbal agreement.

**31. PETS/ANIMALS:** Animals, excepting “service animals” or “emotional support animals” (“Service Animals”) are not permitted on the premises for health and safety reasons. Service Animals must have up-to-date vaccinations and license. Lessee is responsible for thorough cleanup of animal urine and feces. Food for service animals must be kept in well-sealed containers when not in use. Service Animals are not permitted to roam free at any time and must be on a leash or lead. Service Animals are not permitted in the kitchen. Lessee shall verify or cause to be verified the “service animal” or “emotional support” animal status of any animal brought onto the Premises.

**32. NOTICES AND PLACE OF PAYMENT:**

The mailing address for the property manager on behalf of Owner (the “Manager”) is MERIDIAN GROUP, 5290 Overpass Road; Building D, Santa Barbara, California 93111. Telephone number for is (805) 692-2500. In case of an after-hours emergency, the Manager may be reached at (805) 692-2500 x8. Lessee can also access Manager at [www.meridiangroup.com](http://www.meridiangroup.com).

The mailing address for Lessee is:

Attn: **GENERAL SERVICES DEPARTMENT**  
SANTA BARBARA COUNTY  
105 E. ANAPAMU STREET, ROOM 108  
SANTA BARBARA, CA 93101

Telephone number for Lessee is (805) 568-2625.

Lessor and Lessee agree that all notices required to be delivered to Lessee, or mailed to Lessee, may be delivered to Lessee care of the Premises address provided for in section 3 above or e-mailed to Lessee at the e-mail address, [EOCLogs@countyofsb.org](mailto:EOCLogs@countyofsb.org)

**33. SAFE DRINKING WATER AND TOXIC ENVIRONMENT ACT:** A California law, commonly known as Proposition 65 (The Safe Drinking Water and Toxic Environment Act of 1986), requires that most businesses in the State provide warnings to patrons or guests about the presence of chemicals that have the potential to cause cancer or birth defects. Lessor will be posting, or has already posted, those warnings at the Premises. The substances that might cause cancer at the Premises include automobile exhaust fumes, barbeque smoke and fumes (either from other residents or in the common areas), tobacco smoke (Lessee's occupants or from other persons), maintenance supplies (oil, glue or solvents), landscaping chemicals (weed or bug killer and fertilizers) and cleaning supplies. Lessor has no knowledge that there are levels of any substance ordinarily present in the common area or in the Premises that will cause cancer or birth defects. However, Lessor has not tested the level of any of these potential sources, so Lessor cannot with certainty say that such levels do not exist.

**34. SMOKE AND CARBON MONOXIDE DETECTORS:** The Premises are equipped with the Smoke Detector and the Carbon Monoxide devices as required by law, hereinafter collectively referred to as "Detectors".

a. Lessee acknowledges that the Detectors were tested and their operation explained by Lessor or Lessor's Agent in the presence of the Lessee at the time of initial occupancy and that the Detectors were in proper working order at the time.

b. Lessee shall perform the Manufacturer's recommended test to determine if the Detectors are operating properly each week.

c. Lessee(s) must inform the Lessor immediately, in writing, of any defect malfunction or failure of any Detectors.

d. **INITIAL ONLY IF ANY BATTERY OPERATED:** By initialing as provided, Lessee acknowledges its understanding that said Detectors is/are battery operated and it shall be Lessee's responsibility for each battery operated Detector to:

1. Ensure that the battery is in operating condition at all times;
2. Replace the battery as needed (unless otherwise provided by law);
3. If, after replacing the battery, the Detectors do not work, inform the Lessor immediately in writing. If local law requires Lessor to test the Detectors, the Lessee shall allow Lessor access to the Premises for that purpose.

Lessee initials: \_\_\_\_\_

**35. CONTINGENCY.** The effectiveness of this Lease Agreement is expressly conditioned upon the execution by the County of that certain Option Agreement in the form attached hereto as Attachment B. Should the County fail to execute said agreement on or before June 15, 2021, this Agreement shall be of no force or effect.

**36. BINDING ON LESSOR.** This Lease Agreement is a binding obligation on Lessor and Lessee.

**37. ATTACHMENTS:** Lessee acknowledges the attachments to this Lease Agreement as though fully set forth at length. Lessee agrees that by initialing the attachment, Lessee has received a copy, and agrees that said attachment constitutes an addendum to and a part of this Lease Agreement. The following attachments are part of this Lease Agreement.

- a. **MERIDIAN GROUP House Rules and Regulations** ..... \_\_\_\_\_ Initials
- b. **Option Agreement for execution by County of Santa Barbara** ... \_\_\_\_\_ Initials
- c. **Disclosure of information on lead-based paint and/or lead-based paint hazards** ..... \_\_\_\_\_ Initials
- d. **Purchase Agreement** ..... \_\_\_\_\_ Initials
- e. **Maintenance and Repair Obligations** ... \_\_\_\_\_ Initials

The undersigned Lessees, and each of them, acknowledge having read and understood the foregoing Lease Agreement, and acknowledge having read and received the initialed attachments as listed in this section 37 above.

**38. COUNTERPARTS.** Lessor and Lessee agree that this Lease Agreement and attachments may be executed and/or delivered in counterparts and/or by electronic means (e.g., facsimile, .pdf email attachment or DocuSign). Each counterpart, once executed and delivered shall constitute an original and all counterparts together shall constitute a single instrument. A counterpart executed by a party and/or delivered to the other party by electronic means shall bind the party executing the same to the same extent as an executed original.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease Agreement effective as of the date first set forth above.

“COUNTY”  
COUNTY OF SANTA BARBARA

ATTESTED:  
MONA MIYASATO  
CLERK OF THE BOARD OF SUPERVISORS

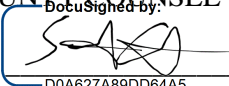
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Bob Nelson, Chair  
Board of Supervisors

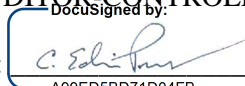
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Deputy Clerk

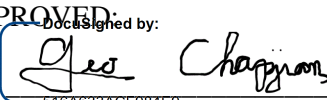
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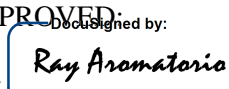
APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:  
BETSY M. SCHAFFER, CPA, CPFO  
AUDITOR-CONTROLLER

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Scott Greenwood  
Deputy County Counsel

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C. Edwin Price, Jr.  
Deputy Auditor-Controller

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George Chapjian, Director  
Community Services Department

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Ray Aromatorio, ARM, AIC  
Risk Manager

APPROVED:  
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By: \_\_\_\_\_  
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Janette Pell, Director  
General Services Department

**LESSOR:**

**El Colegio 6549, LLC**, a California limited liability company

DocuSigned by:  
*Arthur Carlson*  
By \_\_\_\_\_  
8347C9544DC4E8...  
**Arthur Carlson, Managing Member**

5/28/2021 | 2:10 PM PDT

\_\_\_\_\_  
**Date**

**ATTACHMENT A**  
**MERIDIAN GROUP**  
**HOUSE RULES & REGULATIONS**

The following House Rules & Regulations have been developed for the benefit and safety of our residents and to clarify issues relating to safety, occupancy, noise, and maintenance. The rules and regulations are addendum to your Lease Agreement. Failure to comply with these House Rules and Regulations constitutes a material breach of your Lease Agreement and can, at the Lessor's election, result in the termination of your tenancy, in addition to the Lessor's other rights in law and equity under this Lease Agreement. Your cooperation and support is appreciated.

**OCCUPANCY, USE RESTRICTIONS**

1. Each unit shall be used solely for residential purposes. No unit shall be occupied or used in such a manner as to annoy, obstruct, and interfere with the quiet enjoyment of other Lessee.
2. No illegal activity will be permitted. No residence or any part of the common area of the community shall be used for any business, commercial or non-residential purpose.
3. Lessee agrees to comply with all of the requirements, ordinances, and statutes of all local, state and federal authorities while on or about the Premises.
4. Garage, moving, and/or yard sales may not be conducted anywhere on the Premises or on the property of which the Premises are a Part.
5. Clotheslines, refuse containers, radio or TV apparatus, sunshades, awnings, and other exterior installations of any kind on the Premises are prohibited. No towels, clothing, rugs, etc. shall be hung from railings. All furniture, surf boards, or bulky items are prohibited on balconies and open patios.
6. Signs or advertising of any kind shall not be affixed to or visible from, any part of the Premises, or any vehicle on the Premises with the exception of political signage.
7. Lessee shall have no right of storage under the Lease Agreement with reference to any area outside the Premises.

**NOISE, ILLEGAL DRUGS, AND OTHER NUISANCE**

8. Lessee shall assure that each resident, member of a resident's household, guest, as well as persons under Lessee's control refrains from:
  - a. Use or possession of illegal drugs in, upon, or about the Premises or the complex of which it is a part.
  - b. Creating or allowing the creation of live music involving electronic amplification from or about the Premises or the complex of which it is part;



- c. The operation of TV, CD player, VCR, and/or other sound emitting device in a manner that results in sound being projected beyond the walls of the Premises;
  - d. Loud, unruly, or disturbing gatherings or other activities;
  - e. Failure to control any employee(s), volunteer(s), resident(s), guest(s), or invitee(s) so that they do not cause damage and do not unreasonably disturb owners or occupants of neighboring properties;
  - f. Use of the Premises for any business, commercial, or other non-residential purpose.
  - g. Violation of any law, statute, or ordinance pertaining to the use of the Premises.
  - h. Keeping or storing hazardous, toxic, or combustible materials (other than normal household items) in or about the Premises or otherwise on the property in which the Premises is located.
9. Lessee shall not permit playing of any musical instruments, or stereo, television, radio, video game or electronic device in such a manner as to be disturbing or annoying to other residents or owners or occupants of neighboring properties during any hour of the day or night.
10. Under school age persons are not to be left alone on the community grounds or in the Premises. No person shall be permitted to play in garden areas, entryways, sidewalks, driveways, carport, and trash areas.
11. The activities and conduct of Lessee's employees, residents, ' guests and their respective household members and invitees, must be reasonable at all times and not annoy or disturb other persons.
12. Lounging, playing or loitering in the halls, on the front steps, or in common areas in such a way as to interfere with the free use, enjoyment, passage or convenience of any person or resident or guest/invitee is prohibited. No persons shall be allowed on or about the roofs, failure to abide by this regulation could result in injury and/or assessment of roof repair expenses.

#### **MAINTENANCE, REPAIRS, AND ALTERATIONS**

13. Maintenance and repair responsibilities for both parties are set forth in Attachment "E" and shall be construed as controlling. Maintenance requests to Lessor should be made by phone (692-2500) or in writing to the management office during normal business hours, Monday through Friday from 8:00 a.m. to 5:00 p.m. and Saturdays from 10:00 a.m. to 2:00 p.m. An after-hours and weekend emergency number (692-1108) is available for such items as:
- a. Electrical failure (check the circuit breaker before calling)
  - b. Plumbing leaks, lack of water, or no hot water
  - c. Broken entry door lock that prohibits entry or securing building

- d. Fire (go to safety, then call the Fire Department)
  - e. Lack of heat during winter months
  - f. Plumbing or sewage backup or overflow
14. Maintenance requests should always be directed to the management office as soon as the problem is noted.
15. The cost of any damages incurred because of Lessee's failure to report any maintenance problem in a timely manner may be assessed to the Lessee.
16. Lessee shall pay for any broken, damaged or missing articles provided by Lessor and for damages to the building, its fixtures, furniture or equipment caused by Lessee, Lessee's guest/invitees or member of Lessee's family. Payment for corrective action is due and payable on demand.
17. No alterations or improvements shall be made by Lessee without the prior written consent of Lessor/Lessor's Agent. For purposes of this paragraph, alterations and improvements shall include but not be limited to the following:
- a. Installation of television, CB or telephone antennas.
  - b. The use of adhesive fasteners, heavy nails, molly bolts, screws or fastening devices on wall, ceilings or woodwork.
  - c. The boring, marring or puncturing of any part of the equipment, furnishings, fixtures, cabinetry, walls or ceilings.
  - d. Adding, changing or altering locks installed on doors of building.
  - e. Redecoration or painting.
  - f. Replacement of any part of the equipment or furnishings.
18. Lessee is responsible for and shall reimburse Lessor for costs related to any drain or plumbing fixture which becomes obstructed or blocked during occupancy. Lessee shall reimburse upon demand from Lessor all costs involved in clearing such blockage and/or repairing the plumbing fixtures as a result of such blockage.
19. No window shall be covered with paper, foil tinting or any other material.
20. Entrances, hallways, walkways, stairway, landings and other public areas SHALL NOT be obstructed or used for any purpose other than entering and exiting.

#### **DRIVEWAYS, PARKING, AND CARPORTS**

21. PLEASE DRIVE CAREFULLY! Unlicensed, uninsured, disabled, unregistered or inoperable vehicles are prohibited on the Premises.

22. Employees, volunteers and guests shall park on the street or in the areas designated for guest parking.
23. Vehicles must be parked within the designated individual parking space. Vehicles parked outside the lines, occupying more than one space or blocking traffic may be towed at the vehicle owner's expense.
24. Automobiles and motorcycles SHALL NOT be driven or parked on common areas, patios, sidewalks or lawn areas. Any damage resulting from a violation of this rule will be assessed to the Lessee.
25. Parking and/or storage of boats, campers, trailers, motor homes, recreational vehicles, large trucks, or commercial vehicles of any kind is not permitted anywhere on the Premises. Abandoned vehicles will be subject to removal at vehicle owner's expense.
26. No repairs of any motor vehicle, including changing oil, will be permitted at any time on the Premises. Repairs and/or cleanup of the pavement due to negligence will be charged to the vehicle owner.
27. Car washing on Premises is **PROHIBITED**.
28. Activities (i.e. Skateboards, football etc.) are not allowed in or around the streets, driveways, carport, or trash areas.

#### **KITCHEN APPLIANCES**

29. Lessee shall be responsible at its own expense for keeping drains and garbage disposal clear of items that may tend to cause stoppage.
30. Only dishwasher safe items should be placed in the dishwasher. Please use only detergent specifically for dishwashers.

#### **SMOKE DETECTORS**

31. Smoke detectors are provided in each bedroom for the safety of residents. Please check these alarms regularly to assure they are in proper working order. Lessee must notify management immediately, in writing, of any defect, malfunction or failure of such smoke detectors. Battery replacement is the responsibility of the Lessee.

#### **REFUSE**

32. Please discard all refuse **INSIDE** the trash containers/receptacles. Break down and/or flatten cartons and boxes before placing them in the receptacles. Items too large to fit in the dumpster should be removed from community grounds by the Lessee.

#### **LAUNDRY FACILITIES (if applicable)**

33. On-site laundry rooms are available for use by Lessee, its residents and its employees and/or volunteers only. In order to provide maximum convenience, clothing should be promptly removed from the machines. To avoid possible loss or damage, do not leave items unattended. Do not launder rugs, bedspreads and other heavy articles, as they may cause damage to the machines. Do not use tints or dyes. No heavily soiled clothing should be cleaned in the laundry facilities, please arrange to have these items cleaned by other means. Washing machines should be left clean and free of soap after each use. Clean the lint trap after using the dryer. Please dispose of soap boxes, bleach containers, etc. in trash cans. Equipment failure and/or damage should be reported to the management office immediately. No smoking is allowed in the laundry room.

### **SAFETY**

34. Decks, stairways, walkways, and doorways are to be kept free of all personal property and debris for security access and fire inspection. This includes brooms, mops, bags of trash, flower pots, etc.
35. Lessor reserves the right to restrict the use of barbecues on patios, balconies, and in the common areas.
36. Lessee shall not keep or store hazardous, toxic or combustible materials such as gasoline, paints, or pesticides on the Premises nor shall Lessee unlawfully dispose of hazardous materials on or about the Premises.

### **PETS**

37. Excepting Service or Emotional Support Animals, no animal or pet of any kind, including but not limited to dogs, cats, parrots and other birds or animals, are permitted on the Premises without prior written approval of Lessor.

### **LESSEE KEYS — LOCKOUTS**

38. If Lessee is unable to gain entry to Premises and requests to unlock the Premises after normal business hours, Lessee may, at its expense call a locksmith to gain entry. All keys or locks replaced by management will be Lessee's expense. If locks are changed by a Lessee, a key must be registered with management immediately.

### **WATERBEDS**

39. Waterbeds are only allowed with Lessor's prior written approval and proof of insurance for liability and water damage naming the Lessor as additional co-insured.

**RECEIPT AND AGREEMENT:** The undersigned Lessee agrees to abide by the rules of the Premises and has read and understands and hereby acknowledges receipt of a copy of this Lease Agreement.

**ATTACHMENT B**  
**OPTION AGREEMENT**

THIS OPTION AGREEMENT (this "Agreement") is made and entered into as of June 15, 2021 (the "Effective Date"), by and between EL COLEGIO 6549, LLC, a California limited liability company ("Optionor") and THE COUNTY OF SANTA BARBARA ("Optionee", and collectively with Optionor, the "Parties"), with reference to the following facts:

A. Optionor owns that certain real property commonly known as 6549 El Colegio Road, Goleta, California 93117 (the "Property").

B. Optionor and COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("Lessee"), concurrently with the execution and delivery of this Agreement, are entering into or will have entered into that certain Lease Agreement dated June 15, 2021 for the Property (the "Lease Agreement").

C. The Lease Agreement contemplates the execution of this Agreement and in the event Lessee exercises its Option as described herein, that certain Real Property Purchase Agreement and Escrow Instructions in substantially the same form as attached hereto as Attachment D for the sale by Optionor of the Property and the purchase by Optionee of the Property on the terms and subject to the conditions set forth therein.

NOW, THEREFORE, in consideration of the Lease Agreement and the foregoing recitals, which are incorporated herein by this reference, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Grant of Option.** Optionor hereby grants to Optionee the exclusive option to purchase the Property (the "Option") for a purchase price, subject to the closing of the sale by Optionor and the purchase by Optionee of the Property on or before December 30, 2021, of Six Million Three Hundred Thousand Dollars (\$6,300,000) (the "Purchase Price"), subject to the condition set forth in Paragraph 2 below and otherwise on the terms and subject to the conditions set forth in the Purchase Agreement.

2. **Conditions Precedent.** Notwithstanding anything in this Agreement to the contrary, the Option granted hereunder is contingent on the execution by Lessee of the Lease Agreement. If the foregoing condition precedent shall not have been met, the Option shall be void and of no further force or effect.

3. **Exercise of Option or Refusal Right.** Optionee may exercise the Option, subject to the terms and conditions of this Agreement, by (a) giving written notice of its intent to exercise the Option to the Optionor at 735 State Street, Suite 407, Santa Barbara, CA 93101 on or before November 15, 2021. If the Option is not exercised as and when provided in this Section 3 above, the Option shall expire and be of no further force or effect.

4. **Purchase Agreement.** Immediately upon exercise of the Option, the Parties shall open escrow for the purchase of the Property and proceed with the transaction pursuant to the Purchase

Agreement, which shall thereafter control the purchase by Optionee and the sale by Optionor of the Property.

6. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Specifically, this Agreement is a binding obligation of Optionor subject only to Optionee's contingencies and ability to consummate the purchase of the Property prior to December 31, 2021.

7. **Miscellaneous.** This Agreement shall be liberally construed in accordance with the laws of the state of California to effectuate the purposes hereof. This Agreement may be modified only by a writing signed by the Parties hereto. The provisions herein shall be deemed independent and severable and the invalidity or partial validity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision hereof. To the extent any provision hereof is deemed unenforceable, such provision shall be modified (if possible) so that it is valid, legal, and enforceable and, to the fullest extent possible, reflects the intention of the parties. This Agreement may be executed and/or delivered in counterparts and/or by electronic means (e.g., facsimile, .pdf email attachment or DocuSign) and each counterpart, once executed and delivered, shall constitute an original and all counterparts, taken together, shall constitute a single agreement.

*(COUNTY and OWNER signatures continue on following page)*

IN WITNESS WHEREOF, the Parties have executed this document as of the Effective Date.

“COUNTY”  
COUNTY OF SANTA BARBARA

ATTESTED:  
MONA MIYASATO  
CLERK OF THE BOARD OF SUPERVISORS

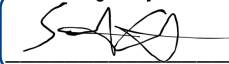
By: \_\_\_\_\_  
Bob Nelson, Chair  
Board of Supervisors

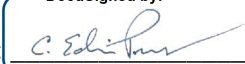
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Deputy Clerk

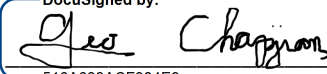
Date: \_\_\_\_\_


APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:  
BETSY M. SCHAFFER, CPA, CPFO  
AUDITOR-CONTROLLER

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Scott Greenwood  
Deputy County Counsel

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C. Edwin Price, Jr.  
Deputy Auditor-Controller


APPROVED:  
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George Chappian, Director  
Community Services Department

APPROVED:  
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Ray Aromatorio, ARM, AIC  
Risk Manager

APPROVED:  
DocuSigned by:  
  
By: \_\_\_\_\_  
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Janette Pell, Director  
General Services Department

“Optionor”:

EL COLEGIO 6549, LLC, a California  
limited liability company

By:  DocuSigned by:  
8347C9544DCF4E8...  
Arthur Carlson, Manager



**ATTACHMENT C**

**DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT  
AND/OR  
LEAD-BASED PAINT HAZARDS**

*(to be inserted)*

**ATTACHMENT D**

Project: 6549 El Colegio Road, Goleta, California

APN: 075-034-005

File No.: \_\_\_\_\_

**REAL PROPERTY PURCHASE AGREEMENT  
AND ESCROW INSTRUCTIONS**

This **PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS** (“Agreement”) is made and entered into by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California (“COUNTY”), and EL COLEGIO 6549, LLC, a California limited liability company (“OWNER”); with reference to the following:

**RECITALS**

**WHEREAS**, OWNER is the fee simple owner of that certain real property improved with a multifamily building commonly known as 6549 El Colegio Road, Goleta, in the County of Santa Barbara, State of California, commonly identified as Santa Barbara County Assessor Parcel Number 075-034-005 (the “PROPERTY”), as legally described on Exhibit "A", attached hereto and incorporated herein by reference; and

**WHEREAS**, OWNER (as Lessor/Optionor) and COUNTY (as Lessee/Optionee) entered into that certain Lease Agreement (the “Lease Agreement”) and Option Agreement (“Option Agreement”), both dated June 15, 2021; and

**WHEREAS**, COUNTY and OWNER concur the value of the PROPERTY has been mutually agreed upon between the COUNTY and OWNER; and

**OPERATIVE PROVISIONS**

**NOW THEREFORE**, in consideration of the above Recitals, which are incorporated herein by this reference, and of the covenants and conditions contained herein, the parties agree that OWNER shall remise, release, and convey to COUNTY and COUNTY shall accept all right, title, and interest in and to the PROPERTY, subject to the following terms and conditions:

**1. SALE AND PURCHASE PRICE: Subject to the terms and conditions contained in this Agreement.** COUNTY agrees to purchase from OWNER, and OWNER agrees to sell to COUNTY, fee ownership of the PROPERTY, subject to the following:

a. The total purchase price for the PROPERTY shall be SIX MILLION THREE HUNDRED THOUSAND DOLLARS (\$6,300,000.00).

b. Upon exercise of the option pursuant to the Option Agreement by COUNTY, COUNTY shall provide an executed and dated original and duplicate original of this Agreement to OWNER. OWNER shall execute and date the original and duplicate original of this Agreement and shall return the original fully executed Agreement to the COUNTY.

c. Upon OWNER providing COUNTY with the executed and dated original of this Agreement, OWNER shall open escrow within five (5) days of providing such Agreement pursuant to Section 2 hereof, and shall deliver to the Escrow Holder a copy of this Agreement fully executed by COUNTY and OWNER.

d. Escrow shall be open for a period of up to thirty (30) days following receipt by OWNER of a notice of exercise of the option granted by the Option Agreement from the COUNTY. The 30-days is to allow COUNTY to complete its investigation of the PROPERTY, and to satisfy all conditions described herein (the "Due Diligence Period"). In any event escrow shall not close after December 30, 2021, unless mutually agreed upon by COUNTY and OWNER.

e. During the Due Diligence Period, COUNTY may, in its sole and absolute discretion, elect to terminate this Agreement based upon any of the following:

- i. Its review and investigation of the condition of the PROPERTY, which may include but shall not be limited to a Phase One Environmental Site Assessment, a CEQA analysis, or any other studies related to the condition of the PROPERTY or title to the PROPERTY;
- ii. In the event the County Planning Commission makes a finding that the acquisition of the PROPERTY is in nonconformance with the adopted General Plan pursuant to California Government Code Section 65402; or
- iii. COUNTY's inability to complete any of the studies or actions set forth above.

f. If COUNTY fails to deliver notice of its election to terminate on or before 5:00 p.m. on the last day of the Due Diligence Period, then COUNTY shall be deemed to have waived this condition. If the last day of the Due Diligence Period falls on a weekend or holiday, the Due Diligence Period shall be extended until 5:00 p.m. of the following business day.

g. Within ten days of the opening of escrow, OWNER will deliver to the Escrow Holder the Grant Deed which has been duly executed and acknowledged by OWNER, in substantially the same form shown on Exhibit "B", attached hereto and incorporated herein by reference.

h. At least one (1) day prior to the close of escrow, COUNTY shall deposit with the Escrow Holder a Certificate of Acceptance for the PROPERTY which has been executed by COUNTY, in substantially the same form shown on Exhibit "C", attached hereto and incorporated herein by reference, and the purchase price plus costs of pro-rations, fees, and expenses pursuant to this Agreement.

i. Completion of the California Environmental Quality Act (CEQA) environmental review process for this transaction, as determined by COUNTY, and appropriation of funding by the County Board of Supervisors are express conditions precedent to COUNTY's duty to purchase. COUNTY shall take reasonable measures in a good faith effort to (i) timely identify and appropriate funds for the acquisition of the Property; and (ii) consummate the purchase of the Property on or before December 30, 2021. Notwithstanding any other provision in this Agreement, COUNTY, at COUNTY's option, may extend escrow up to thirty (30) days to permit the funding approval and appropriation by County Board of Supervisors or to ensure compliance with CEQA. In the event COUNTY opts to extend the escrow period pursuant to this section, COUNTY shall provide written notice to OWNER no later than 5:00 p.m. of the last day of the Due Diligence Period. Notwithstanding anything to the contrary in this Agreement, in no event may the COUNTY extend the close of escrow beyond December 30, 2021, unless mutually agreed

upon by COUNTY and OWNER. In the event that COUNTY does not close escrow by December 30, 2021, and there is no mutual agreement between the COUNTY and OWNER to extend the close of escrow, OWNER acknowledges that COUNTY has the right to renew the Lease Agreement through May, 31 2023 as further provided in, and subject to the terms of, the Lease Agreement.

**2. ESCROW AND OTHER FEES:** Within ten (10) days following exercise of the option by COUNTY pursuant to the Option Agreement, pursuant to Section 1.b. and c., herein above, escrow shall be open at Fidelity National Title Company, 3700 Street, Suite 100, Santa Barbara California, 93105 (“Escrow Holder”); with escrow instructions to be based upon the terms and conditions set forth herein, and COUNTY shall deliver a copy of this Agreement to the Escrow Holder. On behalf of COUNTY, the Director of the County of Santa Barbara Department of General Services, or designee, shall execute the necessary escrow instructions and/or additional documents which may be required to complete the closing of this real property transaction. This Agreement shall become part of the escrow and shall constitute the basic instructions and documents as are reasonably required to complete the closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. In case of conflict between this Agreement and any of said escrow documents, the terms of this Agreement shall govern.

a. The Closing shall be on or before the date thirty (30) days following execution of the Agreement by the County Board of Supervisors, (the “Closing Date”), or such other date as the parties hereto shall mutually agree in writing. The “Closing” or “Close of Escrow” is defined as the satisfaction of all conditions herein stated, except those conditions that may be waived by an express written waiver duly executed by the waiving party; the recordation of a Grant Deed which shall vest title to the PROPERTY in COUNTY; and the payment to OWNER pursuant to Section 1 herein above.

b. Escrow, title and other fees shall be paid as follows:

i. COUNTY shall pay all County Documentary Transfer Tax (“Transfer Tax”).

ii. A Standard California Land Title Association owner’s policy of title insurance covering the PROPERTY shall be paid for by COUNTY.

iii. COUNTY shall pay for any additional title insurance coverage that may be required by COUNTY.

iv. COUNTY and OWNER shall split payment of all Escrow Holder’s fees at the close of escrow.

v. COUNTY shall pay all escrow fees in the event that this escrow is canceled by COUNTY prior to the conveyance of the PROPERTY to COUNTY. The foregoing notwithstanding, OWNER shall pay escrow fees in the event that COUNTY cancels escrow in accordance with Section 10 after OWNER fails or refuses to correct title conditions at COUNTY’s request.

**3. ESCROW HOLDER OBLIGATIONS:** Escrow Holder shall be obligated as follows:

a. Provide current preliminary title report covering the PROPERTY, at COUNTY’s expense;

b. At Closing, the Grant Deed and the Certificate of Acceptance shall be recorded concurrently, vesting title to the PROPERTY in COUNTY;

c. Issue or have issued to COUNTY the California Land Title Association policy of title insurance required herein;

d. To obtain reconveyances from any holders of liens against the PROPERTY and record concurrently with the Santa Barbara County Recorder's Office the executed Grant Deed and deliver the recorded Grant Deed to COUNTY;

e. Provide COUNTY and OWNER with Conformed Copies of all recorded documents pertaining to this Escrow; and

f. Provide COUNTY and OWNER a final closing statement with certification by the title company.

**4. COUNTY OBLIGATIONS:** The COUNTY shall be obligated as follows:

a. COUNTY shall timely deliver to Escrow Holder all documents and fees required to be deposited by COUNTY under this Agreement.

b. COUNTY shall be responsible to pay for any and all costs identified as COUNTY's costs as contained in this Agreement.

**5. OWNER'S REPRESENTATIONS AND WARRANTIES:** The OWNER represents and warrants that:

a. There is no suit, action, arbitration, legal, administrative, or other proceeding or inquiry pending against the PROPERTY or pending against OWNER which could affect OWNER's title of the PROPERTY, or subject an owner of the PROPERTY to liability.

b. There are not attachments, execution proceedings, assignments for the benefit of creditors, insolvency, or bankruptcy, reorganization or other proceedings pending against the OWNER restricting the Close of Escrow.

c. OWNER has not actually received any formal, written notice of any pending change in zoning from any governmental or quasi-governmental authority other than COUNTY, which change would materially affect the present zoning or present use of the PROPERTY. The term "formal written notice" as used in this Agreement shall mean that kind and method of notice which must legally be given to the owner(s) of the PROPERTY, but shall not mean notice by publication.

d. OWNER will not subject the PROPERTY to any additional liens, encumbrances, covenants, conditions, easements, rights of way or similar matters after the execution of this Agreement that will not be eliminated prior to the Close of Escrow.

e. Neither the entering into this Agreement nor the performance of any of OWNER's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which OWNER is a party.

Except for the warranties of paragraph d above, the representations in this Section 5 are made to the best of OWNER's knowledge after reasonable inquiry.

**6. OWNER'S OBLIGATIONS:** The OWNER shall be obligated as follows:

a. OWNER shall deliver to the Escrow Officer an executed Grant Deed, in substantially the same form as Exhibit "B," conveying fee interest to the PROPERTY. The Grant Deed shall be vested in "County of Santa Barbara."

b. OWNER shall ensure that the PROPERTY is free and clear of any and all liens and encumbrances including the removal of financial indebtedness (excepting taxes, which will be prorated to the Close of Escrow).

c. OWNER shall pay, if and when the same are due, all payments on any encumbrances or assessments presently affecting the PROPERTY and any and all taxes, assessments, and levies in respect to the PROPERTY prior to the Close of Escrow.

d. OWNER shall not record any covenants, conditions or restrictions against the PROPERTY, including without limitation any application for annexation or development of the PROPERTY.

e. OWNER shall be responsible to pay for any and all costs identified as OWNER costs as contained in this Agreement. OWNER costs associated with this Agreement shall be paid by OWNER at the Close of Escrow from the purchase price as stated in Section 1 above.

f. OWNER shall timely deliver to Escrow Officer all documents required to be deposited by OWNER under this Agreement.

7. **NO BROKERS**: It is understood that COUNTY and OWNER represent themselves in this transaction and have not retained, and will not retain, any broker in connection with this transaction.

8. **GOOD FAITH DISCLOSURE BY OWNER**: OWNER shall make a good faith disclosure to COUNTY of any and all facts, findings, or information on the PROPERTY, known to OWNER after reasonable inquiry, including without limitation those relating to: historical uses; prior permitted uses; current uses including, but not limited to, express or implied contracts, leases and/or permits; geological conditions; biological conditions; archaeological sites; flood hazard area(s); special studies zones; zoning reports; environmentally hazardous material such as dioxins, oils, solvents, waste disposal, gasoline tank leakage, pesticide use and spills, herbicide use or spills or any other substances and/or products of environmental contamination. Any and all facts or information known by OWNER concerning the condition of the PROPERTY shall be delivered to COUNTY no later than ten (10) days following COUNTY's execution of this Agreement. Except for the disclosure requirements of this Section 8, COUNTY is purchasing the PROPERTY "**AS- IS**," "**WHERE-IS**", and "**WITH ALL FAULTS**", meaning that the COUNTY is accepting the Property in its present condition ("Present Condition"), including, but not limited to, its physical condition, water and mineral rights, environmental conditions, all existing neighboring owners and tenants and neighborhood conditions, the obligations and restrictions under the exceptions to title disclosed in the Preliminary Report, compliance or lack of compliance with all laws, rules and regulations, whether federal, state, local or private (including, but not limited to, laws relating to the COVID-19 pandemic and the Americans With Disabilities Act) ("Laws"), having or potentially having any impact on ownership, use, development, subdivision, improvement or other aspects of the PROPERTY. Other than the express representations and warranties of OWNER contained in this Agreement, neither OWNER, nor any person or entity acting by or on behalf of OWNER, nor any direct or indirect trustor, trustee, or employee of OWNER, nor any agent, affiliate, successor or assign of OWNER has made any representation, warranty, inducement, promise, agreement, assurance or statement, oral or written, of any kind to COUNTY upon which COUNTY is relying, or in connection with which COUNTY has made or will make any decisions concerning the PROPERTY or its vicinity including, without limitation, its use, condition, value, compliance with "Governmental Regulations," existence or absence of Hazardous Substances, or the permissibility, feasibility, or convertibility of all or any portion of

the PROPERTY for any particular use or purpose, including, without limitation, its present or future prospects for sale, lease, development, occupancy or suitability as security for financing. As used herein, the term “Governmental Regulations” means all Laws (including Environmental Laws), ordinances, rules, requirements, resolutions, policy statements and regulations (including, without limitation, those relating to land use, subdivision, zoning, Hazardous Substances, occupational health and safety, disability access, water, earthquake hazard reduction, and building and fire codes) of any governmental or quasi-governmental body or agency claiming jurisdiction over the PROPERTY. As used herein, the following definitions shall apply: “Environmental Laws” means all federal, state and local laws, ordinances, rules and regulations now or hereafter in force, whether statutory or common law, as amended from time to time, and all federal and state court decisions, consent decrees and orders interpreting or enforcing any of the foregoing, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater. COUNTY assumes all risk of the environmental condition of the Property, including without limitation, the existence and condition of any underground storage tanks, the presence or existence of Hazardous Substances on, in, under or about the Property, or the migration of any hazardous substances onto or from the Property; and “Hazardous Substance” means any substance, chemical, waste or material that is or becomes regulated by any federal, state or local governmental authority because of its toxicity, infectiousness, radioactivity, explosiveness, ignitability, corrosiveness or reactivity, including, without limitation, asbestos or asbestos-containing material, toxic mold and fungus, the group of compounds known as polychlorinated biphenyls, flammable explosives, oil, petroleum or any refined petroleum product. COUNTY acknowledges that COUNTY has had unfettered access to the PROPERTY as an occupant pursuant to a lease with OWNER commencing June 1, 2021 has been afforded ample opportunity to familiarize itself with the PROPERTY and to consult with its consultants and to conduct all such investigations of the PROPERTY relative to its Present Condition.

If facts or information provided by OWNER disclose conditions that adversely affect the continued or contemplated use of the PROPERTY, and that COUNTY reasonably deems unacceptable, or if COUNTY otherwise discovers such facts or information through tests and/or surveys which disclose such conditions, and OWNER is unwilling or unable to correct such conditions to the reasonable satisfaction of COUNTY or any governmental body having jurisdiction, then COUNTY may, at its sole option, terminate this Agreement prior to expiration of the Due Diligence Period. Within ten (10) business days of actual receipt of said disclosure information, COUNTY shall notify OWNER of the conditions it deems unacceptable and the corrections desired and request OWNER, at OWNER’s expense, to correct the condition(s) affected thereby to the reasonable satisfaction of COUNTY and/or any governmental body having jurisdiction. Failure to so correct shall be grounds for termination of this Agreement.

**9. INSPECTION BY COUNTY:** During the term of the Lease Agreement the COUNTY, shall have the right to conduct on the PROPERTY such non-invasive and non-intrusive inspections and testing thereon as are, in COUNTY’s sole discretion, necessary to reasonably determine the condition of the PROPERTY. The scope of any such testing or inspection which requires physical sampling of all or any part of the PROPERTY shall be subject to:

a. OWNER’s receipt of a certificate of insurance evidencing any insurance coverage reasonably required by OWNER pursuant to this Section.

b. The requirement that COUNTY conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to OWNER. Provided the Lease Agreement is executed by June 15, 2021, COUNTY may commence with such inspections and testing after June 15, 2021, and shall complete such inspections and testing prior to expiration of the Due Diligence Period and shall restore all areas of the PROPERTY to its pre-test and pre-inspection condition as near as is practicable.

If any toxins or contaminants are discovered, COUNTY shall notify OWNER immediately and OWNER shall have the right, but not the responsibility, to take any actions in response to such notifications that it deems necessary in its sole and absolute discretion. If OWNER elects not to take actions in response to such notifications, then, notwithstanding other provisions contained herein, OWNER and/or COUNTY shall have the right at any time prior to the Close of Escrow to terminate this Agreement with no further liability.

COUNTY shall give OWNER written notice prior to the commencement of any testing or inspections in, on or about the PROPERTY, and OWNER shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. All testing on the PROPERTY shall keep the PROPERTY free and clear of claims, charges and/or liens for labor and materials, and COUNTY shall defend, indemnify and save harmless OWNER, its officials, officers, agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of, related to, or in connection with any such testing, inspection or entry by COUNTY, its partners, officers, directors, members, shareholders, independent contractors, agents or employees.

**10. TITLE AND DEED:** Title to the PROPERTY is to be free of liens, encumbrances, restrictions, conditions, rights to possession or claims thereto (recorded and/or unrecorded) known to OWNER, except:

- a. All covenants, conditions, restrictions, and reservations of record approved by COUNTY.
- b. All easements or rights-of-way over the PROPERTY for public or quasi-public utility or public street purposes, if any, approved by COUNTY.
- c. All exceptions contained in the preliminary title report as may be approved by COUNTY.
- d. Property taxes for the fiscal year in which this escrow closes shall be satisfied in a manner consistent with California Revenue and Taxation Code Section 4986(a)(6). Escrow Officer is authorized to pay all delinquent taxes, if any, from the amount shown in Section 1, SALE AND PURCHASE PRICE, herein above. OWNER understands that pursuant to Section 4986(a)(6), OWNER may receive after the Close of Escrow, either 1) an unsecured property tax bill from the County of Santa Barbara Treasurer-Tax Collector for real property taxes that may be due; or 2) a County of Santa Barbara warrant from the County of Santa Barbara Auditor-Controller to reimburse OWNER for any prepaid property taxes that may be canceled.

COUNTY shall have the right to review the preliminary title report and disapprove in writing any items disclosed in said report prior to the close of escrow. OWNER shall have thirty (30) days from receipt of COUNTY's notice of disapproval to correct the condition(s) that adversely affect the PROPERTY. Failure or refusal to correct shall be grounds for termination of this Agreement by COUNTY.

OWNER shall request Escrow to be extended for thirty (30) days where there is a need for OWNER to correct an adverse condition unless correction requires more than thirty (30) days in which case escrow shall be extended to the date of correction.

**11. TIME OF ESSENCE:** Time is of the essence in the performance by the parties in respect to this Agreement.

**12. NOTICES:** All notices, documents, correspondence, and communications concerning this



transaction shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be sent through the United States mail duly registered or certified with postage prepaid. Notwithstanding the above, COUNTY may also provide notices, documents, correspondence or such other communications to OWNER by personal delivery or by first class mail postage prepaid and any such notices, documents, correspondence and communications so given shall be deemed to have been given upon actual receipt.

IF TO OWNER: El Colegio 6549, LLC  
c/o Arthur W. Carlson  
735 State Street, Suite 407  
Santa Barbara, CA 93101  
(805) 448-1205  
e-mail: [Arthurcarlson.sbca@gmail.com](mailto:Arthurcarlson.sbca@gmail.com)

IF TO COUNTY: County of Santa Barbara  
General Services Department  
Attn: Real Property Division  
1105 Santa Barbara Street, 2<sup>nd</sup> floor  
Santa Barbara, CA 93101  
(805) 568-3070  
Facsimile: (805) 568-3249

ESCROW HOLDER: Fidelity National Title  
Attn: Jacinta Hoang, Escrow Officer  
3700 Street, Suite 100  
Santa Barbara CA 93105  
Telephone: (805) 879-9433  
Facsimile: (805) 879-9450  
e-mail: [jacinta.hoang@fnf.com](mailto:jacinta.hoang@fnf.com)

**13. SUCCESSORS:** This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.

**14. ASSIGNMENT PROHIBITION:** COUNTY shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of OWNER, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 14 shall be null and void.

**14.1 ASSIGNMENT FOR PURPOSES OF 1031 EXCHANGE:** COUNTY acknowledges that OWNER may convey the PROPERTY as part of a tax deferred exchange pursuant to Section 1031 of the Internal Revenue Code of 1984, as amended. The COUNTY shall, at the cost of OWNER, cooperate with OWNER as OWNER deems reasonably necessary in order to effect such an exchange. Section 14 above notwithstanding, OWNER may assign or transfer its rights – but not its obligations – under this Agreement to a qualified intermediary in order to effect such an exchange. OWNER shall provide notice to COUNTY of any such assignment. COUNTY shall incur no additional expense or liability in connection with such assignment or exchange, whether actual or contingent. OWNER acknowledges COUNTY has made no representations whatsoever as to the legal sufficiency or effect of an exchange, including these instructions, as it relates to applicable Federal and State laws. OWNER, at OWNER's sole expense, may obtain independent counsel of a tax attorney or a C.P.A. for the determination of any income tax consequences of this transaction and shall fully indemnify and hold harmless COUNTY from any loss which they may sustain in the event this transaction is audited and disallowed by the Internal Revenue Service as a Section 1031 exchange.

15. **WAIVERS**: No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.

16. **CONSTRUCTION**: Section headings are solely for the convenience of the parties and are not a part and shall not be used to interpret this Agreement. The singular form shall include the plural and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless the context indicates otherwise, all references to sections are to this Agreement.

17. **FURTHER ASSURANCES**: Whenever requested by the other party, each party shall execute, acknowledge and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurances, approvals, consents and all further instruments and documents as may be necessary, expedient or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this Agreement.

18. **THIRD PARTY RIGHTS**: Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

19. **INTEGRATION**: This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the purchase of the PROPERTY.

20. **COUNTERPARTS**: This Agreement may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument.

21. **SURVIVAL**: The indemnification provisions of this Agreement shall survive termination and shall be binding on all successor in interest to the PROPERTY as provided in Section 13 above.

22. **AMENDMENT**: This Agreement may not be amended or altered except by a written instrument executed by COUNTY and OWNER.

23. **PARTIAL INVALIDITY**: Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

24. **EXHIBITS**: All attached exhibits are incorporated in this Agreement by reference.

25. **INDEMNIFICATION**: OWNER covenants and agrees that all material representations regarding the PROPERTY are true and correct to the best of its knowledge and OWNER agrees to fully indemnify and hold harmless COUNTY for all liability, claims, demands, damages and costs that may arise should the PROPERTY be other than that which was represented and warranted.

26. **AUTHORITY OF PARTIES**: All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party. OWNER represents and warrants that it is the sole owner of the PROPERTY, and no additional signatures are required.

**27. GOVERNING LAW:** The validity, meaning, and effect of this Agreement shall be determined in accordance with California laws.

**29. FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES:** This Agreement may be executed in counterparts, each of which shall constitute an original and all of which, together, shall constitute a single instrument. In the event that the parties hereto utilize facsimile transmitted documents or electronically transmitted documents which include signatures (except with respect to the Deed, which shall bear an original signature acknowledged by a notary), such documents shall be accepted as if they bore original signatures provided that documents bearing original signatures are provided within seventy-two (72) hours of transmission.

*(COUNTY and OWNER signatures continue on following page)*

Project: 6549 El Colegio Road, Goleta, California  
APN: 075-034-005  
File No.: \_\_\_\_\_

**IN WITNESS WHEREOF**, COUNTY and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by COUNTY.

“COUNTY”  
“COUNTY SANTA BARBARA”  
a political subdivision of the State of California

ATTEST:  
MONA MIYASATO  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Bob Nelson, Chair  
Board of Supervisors

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING:  
BETSY M. SCHAFFER, CPA  
AUDITOR-CONTROLLER

By: \_\_\_\_\_  
Scott Greenwood  
Deputy County Counsel

By: \_\_\_\_\_  
C. Edwin Price, Jr.  
Deputy Auditor-Controller

APPROVED:

APPROVED AS TO FORM:  
RAY AROMATORIO  
CEO/RISK MANAGEMENT

By: \_\_\_\_\_  
Janette D. Pell, Director  
General Services Department

By: \_\_\_\_\_  
Ray Aromatorio  
Risk Manager

*(OWNER signature continues on next page)*

Project: 6549 El Colegio Road, Goleta, California  
APN: 075-034-005  
File No.: \_\_\_\_\_

**IN WITNESS WHEREOF**, COUNTY and OWNER have executed this Real Property Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by COUNTY.

“OWNER”

EL COLEGIO 6549, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Arthur W. Carlson, Manager

Date: \_\_\_\_\_

### CONSENT OF ESCROW HOLDER

The undersigned Escrow Holder hereby agrees to:

- A. Accept the foregoing Purchase Agreement;
- B. Act as the Escrow Holder under the Purchase Agreement for the fees herein described;
- C. Be bound by the Purchase Agreement in the performance of its duties as Escrow Holder.

However, the undersigned will have no obligation, liability or responsibility under this consent or otherwise, unless and until the Purchase Agreement, fully signed by the parties has been delivered to the undersigned. Further, the undersigned will have no obligation, liability or responsibility under any amendment to the Purchase Agreement unless and until the amendment is accepted by the undersigned in writing.

FIDELITY NATIONAL TITLE COMPANY

By: \_\_\_\_\_  
Jacinta Hoang  
Escrow Officer

Date: \_\_\_\_\_, 2021

**EXHIBIT**  
**"A"**  
**PROPERTY**

**For APN/Parcel ID(s): 075-034-005**

---

Lot 2 in Block "T" of Ocean Terrace Tract, in the City of Goleta, County of Santa Barbara, State of California, according to the map thereof recorded in Book 15, Pages 101, 102 and 103 of Maps, in the Office of the Country Recorder of said County.

EXCEPTING therefrom that portion thereof included within the lines of the County Road along the Northerly end of said lots, as granted to the County of Santa Barbara, a body corporate and politic, by deed recorded August 31, 1933, Instrument No. 5611, Book 281, Page 387 of Official Records.

EXCEPTING therefrom an undivided 1/4th interest in and to all oil, petroleum and other hydrocarbon substances, in and upon the land herein described, as reserved in the deed from B.L. Modie, et ux., recorded August 18, 1953, as Instrument No. 13341, in Book 1172, Page 464 of Official Records.

ALSO EXCEPTING therefrom an undivided 1/2 interest in and to all oil, petroleum and other hydrocarbon substances, in and upon said land, as reserved in deed from Thomas Hirashima, et al., filed for record January 20, 1956 as Instrument No. 1179, Book 1357, Page 158 of Official Records, in the Office of the County Recorder.

ALSO EXCEPTING therefrom that portion described in the deed to The GAMMA RHO Chapter of KAPPA ALPHA THETA HOUSE CORP., recorded March 16, 1959 as Instrument No. 8144 in Book 1605, Page 571 of Official Records.

Recorded at request by  
and to be returned to:  
County of Santa Barbara  
General Services Department  
Office of Real Estate Services  
Will Call

**E X H I B I T**  
**"B"**  
**GRANT DEED**

**COUNTY OF SANTA BARBARA**  
**OFFICIAL BUSINESS**

No fee pursuant to Government Code § 6103  
No Documentary Transfer Tax  
Pursuant to Rev & Tax Code §11922

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
A.P.N. 075-034-005  
Real Property Division # \_\_\_\_\_

<p><b>The undersigned grantor declares</b>  DOCUMENTARY TRANSFER TAX \$ <u>      - 0 -      </u>  <input type="checkbox"/> computed on full value of property conveyed, or  <input type="checkbox"/> computed on full value less liens and encumbrances remaining at the time of sale.  <input checked="" type="checkbox"/> Unincorporated area of Santa Barbara County</p>
---

**GRANT DEED**

For valuable consideration, receipt of which is hereby acknowledged EL COLEGIO 6549, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, as GRANTOR, hereby grants to COUNTY OF SANTA BARBARA, a political subdivision of the State of California, its successors or assigns, as GRANTEE, fee title to that certain real property commonly known as 6549 El Colegio Road situated in the County of Santa Barbara, State of California, more particularly described in Exhibit "A" hereto, incorporated herein by this reference.

DATE: \_\_\_\_\_, 2021

"GRANTOR"

EL COLEGIO 6549, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Arthur W. Carlson, Manager



## ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA            )  
  )  
COUNTY OF SANTA BARBARA    )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared Arthur W. Carlson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Seal)

Exhibit "A"  
Legal Description

[to be inserted from Title Report]

**EXHIBIT**  
**"C"**  
**CERTIFICATE OF ACCEPTANCE**

**CERTIFICATE OF ACCEPTANCE**

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA: SS. §27281

THIS IS TO CERTIFY that the interest in real property conveyed by the Grant Deed dated \_\_\_\_\_, 2021, from EL COLEGIO 6549, LLC, a California limited liability company ("OWNER"), as GRANTOR, to the COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("COUNTY"), its successors or assigns, as GRANTEE, is hereby accepted by Order of the Board of Supervisors of the County of Santa Barbara on \_\_\_\_\_, 2021, and the County of Santa Barbara, consents to recordation thereof by its duly authorized officer.

WITNESS my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2021.

CLERK  
CLERK OF THE BOARD OF SUPERVISORS  
COUNTY OF SANTA BARBARA

By: \_\_\_\_\_  
Sheila de la Guerra  
Deputy Clerk

APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By: \_\_\_\_\_  
Scott Greenwood  
Deputy County Counsel

**ATTACHMENT E****Obligations**

The following matrix identifies the maintenance and repair responsibilities of Lessor and Lessee.

<b>ITEM NO.</b>	<b>ITEM</b>	<b>N/A</b>	<b>OWNER</b>	<b>COUNTY</b>
<b>1. Building Exterior</b>				
	Repair Walls		X	
	Painted Surfaces		X	
	Door and Window Trim		X	
	Doors, Hardware		X	
	Glass Windows: Hardware and Screens			X
	Locks			X
	Entrance Security Pad	X		
	Roof		X	
	Rain Gutters		X	
	Flashing		X	
	Down Spouts		X	
	Pest Control/Exterminating (Tenting Only)		X	
<b>Lighting</b>				
	Bulbs			X
	Fixtures			X
	Transformers		X	
	Fluorescent Lights			X
	Ballast			X
	Handrails (ADA)			X
	Signs (County Designation)			X
	Signs (Owner Designation)		X	
	Timers	X		
	Gutters		X	
	Decking (over decking on rooftop area)		X	
	Exterior Patios		X	
	Water Softener, Filter and Conditioner	X		
	Steps/Stairs		X	
	Roof Drains		X	
	Gates		X	
	Gas/Water lines		X	
	Electrical Lines		X	
	Phone/Computer Lines			X

Building Foundation		X	
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ITEM NO.	ITEM	N/A	OWNER	COUNTY
<b>2. Building Interior (CENTER)</b>				
	Repair Walls			X
	Repaint Surfaces			X
	Doors/Hardware			X
	Locks			X
	General Cleaning (custodial services)			X
	Floor, Sweeping and Cleaning			X
	Carpet, Vacuum and Cleaning			X
	Window Coverings			X
<b>Lighting</b>				
	Bulbs			X
	Fixtures			X
	Transformers			X
	Fluorescent Lights			X
	Ballast			X
	Table Lamps (Replacement & Maintenance)			X
	Handrails (ADA)			X
	Signs (Center)	X		
	Signs			X
	Timers	X		
	Drinking Fountains	X		
	Ceiling			X
	Showers		X	
	Toilet/Urinals (Replacement)		X	
	Toilet/Urinals (Maintenance)		X	
	Sink & Faucets (Replacement)		X	
	Sink & Faucets (Maintenance)		X	
	Gas Lines		X	
	Water Lines		X	
	Sewer Lines/Drains*			
	Phone Lines & Jacks			X
	Computer Lines & Jacks			X
	T.V. Cable & Jacks			X
	Phones			X

\*Any blockage caused by COUNTY, the guests, visitors, contractors, or employees will be the responsibility of COUNTY.

ITEM NO.	ITEM	N/A	OWNER	COUNTY
<b>3. Equipment</b>				
	Garbage Disposal			X
	Refrigerator/ Microwave			X
	Freezer			X
	Stove			X
	Counter Tops, replacement			X
	Cabinets, replacement			X
	Dishwasher			X
	Trash Compactor	X		
	Washer & Dryer (Owned by Third Party)	X		
	Microwave			X
	Storage Shed (cleaning & maintenance)			X
	Play Area Equipment (Maint. & Replacement)	X		
<b>4. Grounds</b>				
	Drinking Fountains	X		
	Mail Boxes			X
	Fences			X
	Trash Bins			X
	Trash Enclosures			X
	Bike Racks			X
	Signs			X
	Litter Pick-up			X
<b>Lighting</b>				
	Parking Lot			X
	Driveways			X
	Walkways			X
	Timers (external)	X		
	Timers (internal)	X		
	Signs			X
	Cleaning, Sidewalks, Walkways, Parking Lot			X
	Center Play Yard Area (All inclusive)			X
<b>5. Landscaping</b>				
	Trees			X
	Shrubs			X
	Flowers			X

ITEM NO.	ITEM	N/A	OWNER	COUNTY
<b>5. Landscaping - Continued</b>				
	Lawn			X
	Watering			X
	Sprinkler System (Repair and Replace)	X		
	Headers	X		
	Rodent/Pest Control (Limit \$ __/year)			X
	Seeding			X
	Fertilizer			X
	Plant Trimming			X
	Plant Removal		X	
	Plant Replacement		X	
	Tree Care & Trimming		X	
<b>6. Mechanical Systems</b>				
	Electrical Panels, Breaker, Interior		X	
	Electrical Fuses, Interior		X	
	Electrical Receptacle, Switches, Interior			X
	Electrical Central Switches		X	
	Elevator	X		
	Heating (maintain/replace)		X	
	Air Conditioning (maintain/replace)	X		
	Water Heater (maintain/replace)		X	
<b>7. Roadways/Parking Lots Repair &amp; Maintenance</b>				
	Striping			X
	Handicap Signage			X
	Asphalt Surface, Curbing		X	
	Cement Surface, Curbing		X	
	Wheel Stops		X	
	Drainage		X	
	Signs			X



ITEM NO.	ITEM	N/A	OWNER	COUNTY
<b>8. Fire Equipment</b>				
	Sprinklers		X	
	Hoses		X	
	Extinguisher (interior)			X
	Alarm Systems			X
	Smoke Detectors (maintain/replace)			X
<b>9. Other Items</b>				
	Paper supplies, dispensers, waste containers, soap in restrooms and kitchens			X
	Interior janitorial products and services			X
	Interior Floor Waxing	X		
	Window Washing (interior & exterior)			X
	Exterior sweeping entry, sidewalks and Walkways			X
	Janitorial service for public areas or common use areas			X
	Refuse, Rubbish and Garbage Disposal			X
	Cleaning Storage Rooms, Utility Rooms			X
	Exterminating			X
	Carpet Replacement Linoleum Replacement Tile Replacement			X
	Flooring (wood & concrete)			X
	Broken window glass or door glass*			X

**\*If glass is broken by COUNTY, the guests, visitors, contractors, or employees responsibility for replacement belongs to COUNTY.**

**Any damages whatsoever caused by COUNTY, the guests, visitors, contractors, or employees shall be repaired and or replaced by COUNTY at its sole expense.**

**All existing appliances, equipment, and personal property are provided "AS-IS" and without warranty express or implied. County shall be solely responsible for their maintenance or replacement.**

